SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT (the "Second Amendment") is made and entered into as of the <u>24th</u> day of <u>January</u>, 2022, by and between **DOVER PROPERTIES TWO**, LLC, a Maryland limited liability company ("Landlord"), and **MONTGOMERY COUNTY MARYLAND**, a body corporate and politic ("County"). (The Landlord and the County are hereinafter collectively referred to as the "Parties").

RECITALS:

WHEREAS, the Parties entered into that certain Lease Agreement dated April 8, 2005, as amended by that First Amendment to Lease Agreement dated February 15, 2012 (collectively the "Lease"), pursuant to which Landlord let and demised unto the County that certain portion of the building located at 701 Dover Road, Rockville, Maryland (the "Building") containing 33,451 SF known as "Unit C" (the "Original Premises"), all as more particularly described in the Lease;

WHEREAS, the Lease is set to expire on June 30, 2022; and

WHEREAS, the Parties desire to (a) expand the size of the Leased Premises, (b) extend the term of the Lease, and (c) further amend the Lease on the terms hereinafter set forth.

NOW THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

- 1. Recitals Incorporated; Certain Defined Terms. The recitals set forth above are incorporated herein by reference and shall be deemed terms and provisions hereof with the same force and effect as if fully set forth in this Paragraph 1. Capitalized terms that are not otherwise defined in this Second Amendment shall be deemed to have the same meanings as are ascribed to such terms in the Lease. As used herein, the "Lease" hereafter shall be deemed to mean the Lease, as amended by this Second Amendment.
- 2. <u>Expansion Premises</u>. Landlord hereby leases to the County, and the County leases from the Landlord on the terms hereinafter set forth an additional 16,130 SF of space contiguous to the Original Premises known as "Unit B" in the Building and identified on <u>Exhibit A</u> to this Second Amendment (the "Expansion Premises").

The total amount of space leased by the County for both the Original Premises and the Expansion Premises shall be 49,581 SF (The "Original Premises" and the "Expansion Premises" are hereinafter collectively referred to as the "Premises".)

3. <u>Term.</u> The Commencement Date of the lease for the Expansion Premises shall be February 1, 2022. The term of the Lease for both the Expansion Premises and the Original Premises shall extend through June 30, 2032.

- 4. Minimum Rent for both the Expansion Premises and the Original Premises shall be \$13.50/psf for a total Minimum Rent for the Premises of Six Hundred Sixty-Nine Thousand, Three Hundred Forty-Three and 50/100 Dollars (\$669,343.50) per year and Fifty-Five Thousand, Seven Hundred Seventy-Eight and 63/100 Dollars (\$55,778.63) per month. The Minimum Rent for the entire Premises shall thereafter escalate annually at the rate of three percent (3%) upon each anniversary of the Commencement Date of the lease of the Expansion Premises. In the event the Commencement Date does not coincide with the first day of the month, the Minimum Rent shall be prorated on a *per diem* basis.
- 5. <u>Additional Rent</u>. Tenant shall pay as Additional Rent for the Expansion Premises its pro rata share of Taxes, Landlord's Insurance Costs, Operating Expenses and other matters as set forth in the Lease. The County's pro rata share of such Additional Rent for the Expansion Premises is twenty-one and six-tenths percent (21.6%). The combined pro rata share of Additional Rent for the entire Premises is sixty-six and 33/100th percent (66.33%).
- 6. <u>Condition of Premises</u>. The Expansion Premises shall be delivered and accepted in "As Is, Where Is" condition with all building services in working order. Landlord shall not be obligated to make any improvements to the Expansion Premises, and County shall not be entitled to an allowance for the installation of any improvements or alterations to the Expansion Premises.
- 7. **Brokers.** County represents and warrants to Landlord that it has not dealt with any realtor, broker, agents or finder in connection with this Second Amendment.. County shall indemnify and hold harmless Landlord from and against any loss, claim, damage, expense or liability for any compensation, commission or charges claimed by any realtor, broker, finder, agent or other party claiming to have dealt with County in connection with this Second Amendment.
- 8. <u>Acknowledgment</u>. The Parties acknowledge that the Lease is in full force and effect and that neither party is in default or breach of its respective obligations under the Lease.
- 9. <u>Successor</u>. This agreement shall be binding upon and inure to the benefit of the Parties and their permitted successors and assigns.
- 10. **Ratification**. Except as herein modified, the Lease is ratified and confirmed in all respects and shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and County have executed and delivered this Second Amendment under seal on the date first above written.

Witness/Attest:	By: Name: Fariba Kassiri Title: Deputy Chief Administrative Officer Date: 1/21/22
APPROVED AS TO FORM AND LEGALITY OFFICE OF THE COUNTY ATTORNEY	RECOMMENDED:
By: Neal Anker Name: Neal Anker Title: Associate County Attorney Date: 1/20/2022	By: Cynthia Brenneman Name: Cynthia Brenneman Title: Director Office of Real Estate Date: 01/20/2022
Witness/Attest:	LANDLORD: DOVER PROPERTIES TWO, LLC, a Maryland limited liability company By: Name: James Whalen Title: Member Date: 1/24/2022

Exhibit ADepiction of Expansion Premises

